1	NAME AND ADDRESS	DATE INITIALS		(Convity Cloopitication
2				(Security Classification
3			· ·	
4 ACTI	ION DIRECT REPLY	PREPARE REPLY		
APPE	RDVAL DISPATCH	RECOMMENDATION		
	MENT FILE CURRENCE INFORMATION	RETURN SIGNATURE		
FF		to this docum	ent will be restricte	
			ollowing specific ac IGENCE DAILY C	
-	Wednesday	19 October	1977 CG N	

State Dept. review completed

(Security Classification)
Approved For Release 2007/03/07 : CIA-RDP79T00975A030400010010-2

Top Secret

25)

Approved For Release 2007/03/07 : CIA-RDP79T00975A030400010010-2

Approved For Release 2007/03/07 : CIA-RDP79T00975A030400010010-2

National Intelligence Daily Cable for Wednesday 19	October 1977.	3 05V4
The NID Cable is for the purpose senior US officials.	of informing] 25X1
CONTENTS		
PANAMA: Treaty Debate Continues	Page l	
EUROPEAN COMMUNITIES: Summit Role	Page 2	
WEST GERMANY: Mogadiscio Operation	Page 3	
INTERNATIONAL: Nuclear Fuel Cycle	Page 4	
		25X1
POLAND: New Church Construction	Page 7	
CZECHOSLOVAKIA: Dissidents Trial	Page 8	
		25X1
RHODESIA-ZAMBIA: Kaunda Meets with Mugabe	Page ll	
IRAQ: Defense Minister Appointed	Page 12	
		25X1

	PANAMA: Treaty Debate Continues	
25X1 ,	//Despite pressures from high-level officials in Panama to stop debate on the canal treaty, Chief of Government Torrijos seems inclined to allow it to continue, but under tighter controls. Most government officials apparently are uneasy with open debate of the treaty and disturbed by what they consider an unexpected degree of public opposition. Approval of the treaties in the plebiscite on Sunday, however, does not seem threatened.//	
25X1	//Vice President Gonzalez, the National Guard's general staff, and negotiator Royo reportedly agreed that anti-treaty statements in the public media would be cut back and then eliminated during this final week of debate before the 23 October plebiscite.	25X
25X1	Opposition groups have begun to complain about their more limited access to the media. They were able to place critical articles in leading dailies through the beginning of this week, although antitreaty statements were down sharply in Tuesday's papers. An opposition student rally is scheduled for today and we expect that the government will allow it but monitor the proceedings closely.	25X ⁻
25X1	The government appears to have stepped up its promotion of the treaties. The pro-Torrijos Communist Party, which has been quietly supporting the treaties, last week publicly urged a "yes" vote, probably at government direction. Several educators' groups have also recently come out in favor of the treaty pacts. The government's radio and press campaign has	•

been moved up a notch, although the negotiators themselves have assumed a lower profile over the last several days.

General Torrijos continues to count on his rural strength to balance out opposition to the treaties, which is centered in urban areas.

25X1

25X1

leader has always relied on his greater popularity outside the capital -- the legislature established in 1972 is heavily skewed

hood of a government victory. The most recent communiques from the Revolutionary Socialist League -- a radical student group that

Thus far, there has been little reaction to the

was the first to oppose the treaties -- acknowledged that the

Panama-US statement of understanding last Friday on sensitive

Even some of Torrijos' opponents recognize the likeli-

The EC Commission appears to have scored a

The Panamanian

treaty provisions. Government media did not report the statement until Monday, and Torrijos' only public comment has been that he signed nothing in Washington. 25X1

EUROPEAN COMMUNITIES: Summit Role

in favor of rural representation.

treaties would be approved on Sunday.

25X1 gain in its long struggle to establish its right to represent the Community at Western economic summits. //Reversing prior practice, the foreign ministers of the Nine agreed on 8 October that the EC would be represented at preparatory meetings for the next summit by a Commission official as well as by an official from the member state holding the Community presidency.//

> France had been the main obstacle to enlarging the Commission's role and to approving a place for the Community presidency, because these moves would assure participation at future summits by countries not normally invited -- Belgium, for example, which now has the presidency, or Denmark, which chairs the EC for the first six months of 1978.

2§X1

25X1

25X6 Although its overall role will remain a matter of 25X1 controversy as EC institutions develop, the EC Commission has again become an active focus of Community activity in recent months -- as much, perhaps, through circumstance as design. Contributing to this has been the EC's preoccupation with trade problems -- the multinational trade negotiations, and problems in the steel and textile industries -- over which the Commission has clear authority. 25X1 The member states have also strongly defended the

Commission's role in talks with the Soviets over mutual fishing rights and as the proper participant in negotiations with CEMA. Jenkins has also been seeking deliberately to turn concern over member-state economies and worries about the effects of EC enlargement into arguments for additional responsibilities for the Commission.

The EC agreement marks a breakthrough but does not preclude the French from raising new procedural objections. The representation question will probably be discussed further at the EC's heads of government meeting in December. Moreover, there is a possibility of disputes over topics that the Community addresses in its own right at pre-summit or summit sessions.

25X1

WEST GERMANY: Mogadiscio Operation

The spectacular rescue of the hijacked Lufthansa plane in Somalia by West German commandos has given Chancellor Schmidt's coalition a much-needed, but probably fleeting, boost. The operation will go far toward restoring Schmidt's image as a decisive leader, and his government will be the prime beneficiary of the current national outpouring of elation and pride.

25X1

25X1 4

25X1 How lasting the boost will be will depend in part on the fate of kidnaped industrialist Schleyer, whose whereabouts are still unknown. Some officials, furthermore, fear that terrorists may mount new attacks against West German targets to avenge the rescue operation. As euphoria recedes, the opposition parties could cite the fact that after the Somalia operation three notorious terrorists were able to commit suicide in a West German maximum security prison as evidence of the government's inability consistently to control terrorists. 25X1 West German leaders are already sensitive to foreign reaction to the operation. Although the reaction has so far been overwhelmingly positive, the leaders are aware that some foreign critics have been quick to see a resurgence of antidemocratic trends in the measures that West Germany has taken against terrorism. The current public elation, in any event, will not 25X1 aid Schmidt's government in overcoming tough legislative hurdles on domestic issues in the coming months, which have already caused disagreements within and between the coalition 25X1 parties. INTERNATIONAL: Nuclear Fuel Cycle 25X1 The International Nuclear Fuel Cycle Evaluation, which opens today with an organizing conference in Washington, will produce tense disputes as the participants try to defend their nuclear power needs and programs. 25X1 Most of the 40-odd participants apparently believe that the US wants to use the INFCE as a device to encourage a "pause" in certain aspects of their nuclear programs, especially

in the commercial use of fast breeder reactors and nuclear fuel reprocessing. Most are convinced, however, that their need for nuclear energy—a major aspect of their search for greater

energy independence--and generally their scant uranium resources mean that they cannot afford a pause, even though they are fully aware that safer or less costly techniques for producing nuclear

energy may be discovered in the future.

25X1	Thus, participants have repeatedly insisted that the INFCE not prejudice their current programs. They have also argued that new restrictions by uranium suppliers on recipients' use of the fuel should be delayed during the two-year period of the evaluation. These concerns lead most participants to emphasize that the INFCE must be only a technical exercise that does not imply any policy decisions that could commit the participants to any particular course of action.
25X1	It will be difficult to avoid a political dimension at the INFCE, however, and several disputes are emerging:
25X1	French officials want the preliminary analysis, which they drafted for approval by the seven participants in the May economic summit, to be circulated among all INFCE countries. They view this statement as the "code of conduct" for the seven at INFCE.
25X1	The French have also objected to a US draft of "preliminary views on a possible approach to INFCE," arguing that the draft favors US policies and that the organizing conference should not go beyond the terms of reference already agreed by the seven.
25X1	EC countries are divided over whether EC technical experts should have participant or only observer status in the INFCE. EC officials themselves hope to participate in all eight working groups of the evaluation and even to co-lead one of the groups. UK officials, however, object to any EC role in INFCE and French officials argue that the EC should only observe the evaluation because it has no competence on the political issue of nonproliferation.
25X1	The USSR proposed that the INFCE be conducted under the auspices of the International Atomic Energy Agency, an organization to which the USSR already belongs, rather than on the initiative of the US and the May economic summit. The Soviets have also suggested that the Council for Economic Mutual Assistance be invited in order to balance the EC's participation.

A caucus of developing countries has already formed within the INFCE group, partly to arrange ways to cover all of the work with limited funds and few technical experts, but also to protect their common nuclear energy interests.	
Further conflicts will emerge as the leading roles for INFCE working groups are apportioned. Competition has already surfaced for the leadership of the fast breeder and reprocessing working groups; several countries believe such a role would enable them to protect their special interests in these activities.	,
These tensions are likely to heighten unless INFCE participants are reassured that their present nuclear programs are not under attack. Pressures in other areas—such as the renegotiation of agreements with the US under new export legislation, and the IAEA's effort to tighten its safeguards, will, however, contribute to further strains.	25X1
	•
	within the INFCE group, partly to arrange ways to cover all of the work with limited funds and few technical experts, but also to protect their common nuclear energy interests. Further conflicts will emerge as the leading roles for INFCE working groups are apportioned. Competition has already surfaced for the leadership of the fast breeder and reprocessing working groups; several countries believe such a role would enable them to protect their special interests in these activities. These tensions are likely to heighten unless INFCE participants are reassured that their present nuclear programs are not under attack. Pressures in other areas—such as the renegotiation of agreements with the US under new export legislation, and the IAEA's effort to tighten its safeguards, will,

25X1

Approved For Release 2007/03/07: CIA-RDP79T00975A030400010010-2



POLAND: New Church Construction

The Polish Government has made an important concession to the Roman Catholic Church by authorizing the construction of 34 new churches in the Warsaw diocese. This gesture is intended to demonstrate that the regime is seeking to meet popular demands where it can.

7

25X1

25X1	A Catholic priest announced on Sunday that 17 churches were already under construction and that work on the remaining 17 would begin after party leader Gierek returns from a scheduled visit to Rome late next month. The priest added that only two new churches had been built in Warsaw since World War II.
25X1	Authorization to build the churches is aimed, in part, at the restive population, which continues to be plagued by food shortages. The regime cannot offer much in the short run to dampen the effects of the shortages. Gierek hopes that the psychological impact of his visit to the Pope and President Carter's visit to Warsaw will boost his domestic standing and generate greater toleration of the country's economic problems.
25X1	The gesture is also aimed at the Church hierarchy under Cardinal Stefan Wyszynski, which has sharpened its criticism of regime policies over the past year. Wyszynski has long pressed for more building permits, and the Church is also striving to obtain greater access to the media and a halt to the "atheist campaigns" sponsored by the party and the state.
25X1	The US Embassy in Warsaw reports that the Cardinal did not take part as scheduled in the opening of the academic year at the Catholic University of Lublin. In a message delivered for him, Wyszynski regretted that his health prevented him from attending. A Church official assured the audience that the Cardinal was recovering from his operation in mid-September, but at a slower pace than had been hoped. Other Church officials have given the same reassuring message to US Embassy officers.
25X1	Wyszynski reportedly wants to go to Rome late this month for the final days of the Fifth Synod of Bishops. His failure to go would indicate that the oepration did take a heavy toll on the 76-year-old Primate. 25X1
	CZECHOSLOVAKIA: Dissidents Trial
25X1	Czechoslovak authorities yesterday concluded a two-day, closed trial of four prominent dissidents by imposing relatively moderate prison sentences on two of the accused and suspended sentences on the others. All four might appeal their convictions.

25X1 Ota Ornest and Jiri Lederer--who faced maximum prison terms of 10 years--received sentences of three and one-half and three years respectively for allegedly maintaining "conspiratorial links" with Czechoslovak emigres. The authorities had named four diplomats -- a Swede, a Dane, a Canadian, and a Pakistani--in their indictments but did not play up that aspect during the trial. We do not rule out a subsequent media campaign elaborating on the theme of Western involvement with Czechoslovak rights dissidents. The relatively light sentences suggest that Prague 25X1 hoped to soften the impact of the trial on the Belgrade conference and on Western opinion. At the same time, Prague has stubbornly reaffirmed its "right" to take legal action against those who have broken Czechoslovak law and has again showed dissidents that they cannot find shelter by raising a storm of Western public opinion. Many of the general propaganda themes and some speci-25X1 fic charges raised by the Czechoslovak trials closely parallel those the Soviets have developed over the past several months against their own arrested human rights dissidents. The Soviet assessment of the Western response to the Prague trials might well have a bearing on Moscow's eventual decision on whether to resolve these pending cases. 25X1 25X1

RHODESIA-ZAMBIA: Kaunda Meets with Mugabe

25X1	//Zambian President Kaunda has met with Rhodesian nationalist leader Robert Mugabe to try to revive the frontline presidents latest effort to strengthen the Patriotic Front alliance of Mugabe and Joshua Nkomo. Representatives of the two nationalist leaders subsequently began another unity meeting, but no major decisions are likely.//
25X1	//Mugabe arrived in Lusaka on Sunday at Kaunda's invitation, along with a delegation including military commander Josiah Tongogara, who helped to persuade Mugabe not to attend a unity meeting with Nkomo earlier this month. The Zambians informed US Embassy officials in Lusaka that Kaunda strongly urged Mugabe to cooperate more closely with Nkomo.//
25X1	//Kaunda tried to reassure Mugabe and other leaders of the Zimbabwe African National Union that his meeting with Rhodesian Prime Minister Smith last month had not been designed to engineer Nkomo into power in Rhodesia. ZANU's suspicions of such a deal had caused it to cancel earlier unity meetings with Nkomo's Zimbabwe African People's Union.//
25X1	Some Zambian officials now believe that Kaunda made a mistake by agreeing to meet with Smith. They are trying to repair the damage that the meeting did to the effort to strengthen the Front.
25X1	//Kaunda probably sent the invitation to Mugabe after Tanzanian President Nyerere sent word to the Zambians of his growing frustration over the lack of unity in the Front, and his latest plans for remedying the situation. Tanzanian Foreign Minister Mkapa arrived in Lusaka last Saturday to inform Kaunda of Nyerere's suggestion that the frontline presidents take over direct control of the ZANU and ZAPU guerrilla forces. Kaunda, however, apparently still prefers to deal with Nkomo and Mugabe.//
25X1	//After their session with Kaunda, ZANU representatives began meeting with ZAPU officials in Lusaka

25X1

however, and they are unlikely to reach any significant decisions before Nkomo returns from his current trip to Canada and the US

yesterday. Hostility between the two factions remains strong,

at the end of the month.

25X1

25X1

25X1

25X1

25X1

IRAQ: Defense Minister Appointed

V/The appointment of Lieutenant Colonel Adnan Khayrallah Talfah, son-in-law of Iraqi President Bakr and brother-in-law of de facto leader Saddam Husayn, as defense minister is the second recent step in Saddam Husayn's continuing consolidation of power. Earlier this month, Saddam Hasayn brought under Iraqi control the Pan-Arab Command--an organization made up predominantly of non-Iraqi Baathists separate and distinct from the ruling Iraqi Baath Party.//

Talfah, a professional soldier, was previously commander of the Republican Guard. His appointment to an extremely sensitive position that Bakr has held since the 1973 coup attempt comes as no surprise. Over the past 10 months, his close family ties have projected him into important positions on the Revolutionary Command Council, Iraq's supreme governing council, and in Iraq's Baath Party. He has also been mentioned as a possible number-two man in the event Saddam succeeds Bakr as president.

Talfah's appointment may, in fact, reflect the military's acquiescence to Saddam's eventually succeeding the ailing Bakr. Senior military officers, always considered loyal to Bakr, would probably also be loyal to a successor in the Defense Ministry who had his blessing. They will, however, probably remain wary of Saddam Husayn.

The changes in the Pan-Arab Command were announced after it met in a secret session in late September. Although Syrian exile Michel Aflaq, a founder of the Baathist movement in the 1940s, remains titular head of the Command, several non-Iraqi Baathists were dismissed from leadership positions. They were replaced by Saddam, Bakr, and four members of Iraq's Revolutionary Command Council, a body controlled by Saddam Husayn.

In addition, the Pan-Arab Command is now required to keep all its funds in Iraqi banks and to stop its efforts to influence Iraqi foreign policy through support of clandestine operations in other Arab countries and through contacts with foreign officials. It will also be required to clear all ideological statements with the Iraqi Baath Party.

25X1

The Command in reality has had little power to act outside the framework of Iraqi Government policies, but it has on occasion taken advantage of Iraq's factious political situation to press radical stances on the government. It has taken particularly hard-line positions in support of radical Palestinian rejectionists and Arab liberation movements and against improved relations with Syria or the US.

25X1

Talfah's appointment and the move to tighten control of the Pan-Arab Command closely follow other changes in Iraq's Government. In late September, the Revolutionary Command Council was expanded from five to 22 members to include the leaders of Iraq's Baath Party, which itself had been expanded last January. Both expansions were designed to enhance Saddam Husayn's control of party and government by advancing his supporters and by increasing the party's role in the decision-making process.

25X1

/The US Interest Section in Baghdad speculates that the changes in the Pan-Arab Command foreshadow a gradual softening of Iraq's hard-line stance toward Syria and the US because muzzling the Command would be a necessary step to improved relations with either country.//

25X1

/We have no evidence, however, to suggest this was the primary reason for down-grading the Command. We believe that domestic considerations and the need to maintain a firm hand on making foreign policy necessitated the curtailment of the Command's activities.

25X1

13

Top Secret | Approved For Release 2007/03/07 : CIA-RDP79T00975A030400010010-2

(Security Classification)